

SENATE BILL No. 8

DIGEST OF INTRODUCED BILL

Citations Affected: IC 7.1-2-3-16.5; IC 7.1-3.

Synopsis: Alcohol permits and sales. Allows the alcohol and tobacco commission (commission) to issue a liquor dealer's permit only to a package liquor store. (Current law allows the commission to issue a liquor dealer's permit to a drug store or a package liquor store.) Provides that the holder of a liquor dealer's permit who held a liquor dealer's permit for a drugstore on June 30, 2016, may continue to hold the permit until the permit expires. Provides that the permit: (1) may not be renewed; and (2) may only be transferred to an applicant who is a proprietor of a package liquor store. Makes conforming changes to the liquor dealer's permit quota restrictions. Allows the sale of alcoholic beverages on Sunday. Repeals provisions superseded by this bill.

Effective: July 1, 2016.

Miller Pete

January 5, 2016, read first time and referred to Committee on Public Policy.



Second Regular Session 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

SENATE BILL No. 8

A BILL FOR AN ACT to amend the Indiana Code concerning alcohol and tobacco.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 7.1-2-3-16.5, AS AMENDED BY P.L.109-2013,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2016]: Sec. 16.5. (a) As used in this section, "facility"
4 includes the following:

5 (1) A facility to which IC 7.1-3-1-25(a) applies.

6 (2) A tract that contains a premises that is described in
7 ~~IC 7.1-3-1-14(c)(2)~~; **IC 7.1-3-1-14(b)(2)**.

8 (3) A horse track or satellite facility to which IC 7.1-3-17.7
9 applies.

10 (4) A riverboat or racetrack to which IC 7.1-3-17.5 applies.

11 (5) A tract that contains an entertainment complex.

12 (b) As used in this section, "tract" has the meaning set forth in
13 IC 6-1.1-1-22.5.

14 (c) A facility may advertise alcoholic beverages:

15 (1) in the facility's interior; or

16 (2) on the facility's exterior.

17 (d) The commission may not exercise the prohibition power



1 contained in section 16(a) of this chapter on advertising by a brewer,
2 distiller, rectifier, or vintner in or on a facility.

3 (e) Notwithstanding IC 7.1-5-5-10 and IC 7.1-5-5-11, a facility may
4 provide advertising to a permittee that is a brewer, an artisan distiller,
5 a distiller, a rectifier, or a vintner in exchange for compensation from
6 that permittee.

7 SECTION 2. IC 7.1-3-1-14, AS AMENDED BY P.L.10-2010,
8 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
9 JULY 1, 2016]: Sec. 14. (a) It is lawful for an appropriate permittee,
10 unless otherwise specifically provided in this title, to sell alcoholic
11 beverages each day Monday through ~~Saturday~~ **Sunday** from 7 a.m.,
12 prevailing local time, until 3 a.m., prevailing local time, the following
13 day. ~~Sales shall cease wholly on Sunday at 3 a.m., prevailing local~~
14 ~~time; and not be resumed until the following Monday at 7 a.m.,~~
15 ~~prevailing local time.~~

16 (b) It is lawful for the holder of a retailer's permit to sell the
17 appropriate alcoholic beverages for consumption on the licensed
18 premises only on Sunday from 7 a.m., prevailing local time, until 3
19 a.m., prevailing local time, the following day.

20 ~~(e)~~ (b) It is lawful for the holder of a permit under this article to sell
21 alcoholic beverages at athletic or sports events held on Sunday upon
22 premises that:

- 23 (1) are described in section 25(a) of this chapter;
- 24 (2) are a facility used in connection with the operation of a paved
25 track more than two (2) miles in length that is used primarily in
26 the sport of auto racing; or
- 27 (3) are being used for a professional or an amateur tournament;
28 beginning one (1) hour before the scheduled starting time of the event
29 or, if the scheduled starting time of the event is 1 p.m. or later,
30 beginning at noon.

31 ~~(d)~~ (c) It is lawful for the holder of a valid beer, wine, or liquor
32 wholesaler's permit to sell to the holder of a valid retailer's or dealer's
33 permit at any time.

34 SECTION 3. IC 7.1-3-9-12 IS AMENDED TO READ AS
35 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 12. (a) This section
36 applies to:

- 37 (1) the holder of a three-way permit that is issued to a civic
38 center, a sports arena, a stadium, an exhibition hall, an
39 auditorium, a theater, a tract that contains a premises that is
40 described in ~~IC 7.1-3-1-14(c)(2);~~ **IC 7.1-3-1-14(b)(2)**, or a
41 convention center; or
- 42 (2) the holder of a catering permit while catering alcoholic



1 beverages at a civic center, a sports arena, a stadium, an
 2 exhibition hall, an auditorium, a theater, a tract that contains a
 3 premises that is described in ~~IC 7.1-3-1-14(c)(2)~~;
 4 **IC 7.1-3-1-14(b)(2)**, or a convention center.

5 (b) As used in this section, "suite" means an area in a building or
 6 facility referred to in subsection (a) that:

- 7 (1) is not accessible to the general public;
- 8 (2) has accommodations for not more than seventy-five (75)
 9 persons per suite; and
- 10 (3) is accessible only to persons who possess a ticket:
 - 11 (A) to an event in a building or facility referred to in
 - 12 subsection (a); and
 - 13 (B) that entitles the person to occupy the area while viewing
 - 14 the event described in clause (A).

15 The term does not include a restaurant, lounge, or concession area,
 16 even if access to the restaurant, lounge, or concession area is limited to
 17 certain ticket holders.

18 (c) A permittee may allow the self-service of individual servings of
 19 alcoholic beverages in a suite.

20 (d) A person who:

- 21 (1) possesses a ticket described in subsection (b)(3); and
- 22 (2) is at least twenty-one (21) years of age;

23 may obtain an alcoholic beverage in a suite by self-service.

24 (e) A permittee may do any of the following:

- 25 (1) Demand that a person occupying a suite provide:
 - 26 (A) a written statement under IC 7.1-5-7-4; and
 - 27 (B) identification indicating that the person is at least
 - 28 twenty-one (21) years of age.
- 29 (2) Supervise the self-service of alcoholic beverages.
- 30 (3) Have an employee in the suite who holds an employee permit
- 31 under IC 7.1-3-18-9 to serve some or all of the alcoholic
- 32 beverages.

33 SECTION 4. IC 7.1-3-10-2 IS REPEALED [EFFECTIVE JULY 1,
 34 2016]. ~~Sec. 2: Drug Stores. The commission may issue a liquor dealer's~~
 35 ~~permit to the proprietor of a drug store who holds a license issued by~~
 36 ~~the state board of pharmacy. An applicant for a liquor dealer's permit~~
 37 ~~for a drug store shall not be disqualified under IC 1971, 7.1-3-4-2(m).~~

38 SECTION 5. IC 7.1-3-10-3 IS REPEALED [EFFECTIVE JULY 1,
 39 2016]. ~~Sec. 3: The commission may issue a liquor dealer's permit to a~~
 40 ~~drugstore situated outside the corporate limits of a city or town if the~~
 41 ~~proprietor of the drugstore holds a license issued by the state board of~~
 42 ~~pharmacy. The permit authorized by this section shall be issued in the~~



1 same manner, and subject to the same restrictions, as that which is
 2 provided for in the issuance of a liquor dealer's permit to a drugstore
 3 situated inside the corporate limits of a city or town.

4 SECTION 6. IC 7.1-3-10-7 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 7. (a) The holder of a
 6 liquor dealer's permit shall be entitled to purchase liquor only from a
 7 permittee entitled to sell to a liquor dealer under this title.

8 (b) A liquor dealer shall be entitled to possess liquor and sell it at
 9 retail in its original package to a customer only for consumption off the
 10 licensed premises.

11 (c) A liquor dealer may deliver liquor only in permissible containers
 12 to a customer's residence or office in a quantity that does not exceed
 13 twelve (12) quarts at any one (1) time. However, a liquor dealer who
 14 is licensed under IC 7.1-3-10-4 may deliver liquor in permissible
 15 containers to a customer's residence, office, or designated location.
 16 This delivery may only be performed by the permit holder or an
 17 employee who holds an employee permit. The permit holder shall
 18 maintain a written record of each delivery for at least one (1) year that
 19 shows the customer's name, location of delivery, and quantity sold.

20 (d) **Except as provided in section 14(b) of this chapter**, a liquor
 21 dealer may not sell or deliver alcoholic beverages or any other item
 22 through a window in the licensed premises to a patron who is outside
 23 the licensed premises. ~~However, a liquor dealer that is a drug store may~~
 24 ~~sell prescription drugs and health and beauty aids through a window in~~
 25 ~~the licensed premises to a patron who is outside the licensed premises.~~

26 SECTION 7. IC 7.1-3-10-14 IS ADDED TO THE INDIANA CODE
 27 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 28 1, 2016]: Sec. 14. (a) **Notwithstanding section 4 of this chapter, the**
 29 **holder of a liquor dealer's permit who held a liquor dealer's permit**
 30 **for a drugstore on June 30, 2016, may continue to hold the liquor**
 31 **dealer's permit until the permit expires.**

32 (b) **The holder of a liquor dealer's permit described in**
 33 **subsection (a) may sell prescription drugs and health and beauty**
 34 **aids through a window in the licensed premises to a patron who is**
 35 **outside the licensed premises.**

36 (c) **The commission may not renew a liquor dealer's permit for**
 37 **the holder of a liquor dealer's permit described in subsection (a).**

38 (d) **The commission may transfer ownership of a liquor dealer's**
 39 **permit described in subsection (a) only to an applicant who is the**
 40 **proprietor of a package liquor store.**

41 SECTION 8. IC 7.1-3-22-4, AS AMENDED BY P.L.94-2008,
 42 SECTION 46, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2016]: Sec. 4. (a) The commission may grant:

(1) in an incorporated city or town that has a population of less than fifteen thousand one (15,001):

(A) one (1) beer dealer's permit for each two thousand (2,000) persons, or a fraction thereof; or

(B) two (2) beer dealer's permits;

whichever is greater, within the incorporated city or town;

(2) in an incorporated city or town that has a population of more than fifteen thousand (15,000) but less than eighty thousand (80,000):

(A) one (1) beer dealer's permit for each three thousand five hundred (3,500) persons, or a fraction thereof; or

(B) eight (8) beer dealer's permits;

whichever is greater, within the incorporated city or town; and

(3) in an incorporated city or town that has a population of at least eighty thousand (80,000):

(A) one (1) beer dealer's permit for each six thousand (6,000) persons, or a fraction thereof; or

(B) twenty-three (23) beer dealer's permits;

whichever is greater, within the incorporated city or town.

(b) The commission may grant:

(1) in an incorporated city or town that has a population of less than fifteen thousand one (15,001):

(A) one (1) liquor dealer's permit for each two thousand (2,000) persons; or a fraction thereof; or

(B) two (2) liquor dealer's permit;

whichever is greater, within the incorporated city or town;

(2) in an incorporated city or town that has a population of more than fifteen thousand (15,000) but less than eighty thousand (80,000):

(A) one (1) liquor dealer's permit for each three thousand five hundred (3,500) persons; or a fraction thereof; or

(B) eight (8) liquor dealer's permits;

whichever is greater, within the incorporated city or town; and

(3) in an incorporated city or town that has a population of at least eighty thousand (80,000):

(A) one (1) liquor dealer's permit for each six thousand (6,000) persons; or a fraction thereof; or

(B) twenty-three (23) liquor dealer's permits;

whichever is greater, within the incorporated city or town.

(c) (b) The commission may grant in an area in the county outside an incorporated city or town:



(1) one (1) beer dealer's permit for each two thousand five hundred (2,500) persons, or a fraction thereof, or two (2) beer dealer's permits, whichever is greater; and
 (2) one (1) liquor dealer's ~~permits~~ **permit** for each two thousand five hundred (2,500) persons, or a fraction thereof, or two (2) liquor dealer's permits, whichever is greater;
 within the area in a county outside an incorporated city or town.

~~(d)~~ **(c)** Notwithstanding subsections (a) ~~and (b) and (c)~~, **and subject to IC 7.1-3-10-14**, the commission may renew or transfer a beer dealer's or liquor dealer's permit for a beer dealer or liquor dealer that:

- (1) held a permit before July 1, 2008; and
- (2) does not qualify for a permit under the quota restrictions set forth in subsection (a) ~~or (b)~~. ~~or (c)~~.

~~(e)~~ **(d)** Notwithstanding subsection (a) or ~~(c)~~, **(b)**, the commission may grant not more than two (2) new beer dealer's permits or five percent (5%) of the total beer dealer permits established under the quota restrictions set forth in subsection (a) or ~~(c)~~, **(b)**, whichever is greater, for each of the following:

- (1) An incorporated city or town that does not qualify for any new beer dealer's permits under the quota restrictions set forth in subsection (a).
- (2) An area in a county outside an incorporated city or town that does not qualify for any new beer dealer's permits under the quota restrictions set forth in subsection ~~(c)~~. **(b)**.

~~(f)~~ **(e)** Notwithstanding subsection (b), ~~or (c)~~, the commission may grant not more than two (2) new liquor dealer's permits or five percent (5%) of the total liquor dealer permits established under the quota restrictions set forth in subsection (b), ~~or (c)~~, whichever is greater, for each of the following:

- ~~(1)~~ **(1)** An incorporated city or town that does not qualify for any new liquor dealer's permits under the quota restrictions set forth in subsection ~~(b)~~.
- ~~(2)~~ **(2)** an area in a county outside an incorporated city or town that does not qualify for any new liquor dealer's permits under the quota restrictions set forth in subsection ~~(c)~~. **(b)**.

